

GE's Technology and Services

Analyst Meeting

May 4, 2006



imagination at work

GE
Energy

Services Overview

Dan Heintzelman
Vice President, Energy Services



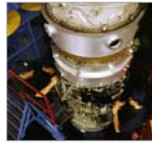
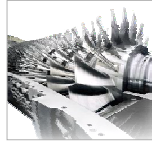
imagination at work

GE Energy ... services

Complete solutions across the energy industry

Power generation services

- Contractual services
- Installation and field services
- Parts and repairs
- Upgrades
- Reactor and fuel services
- Rentals



Plant & network solutions

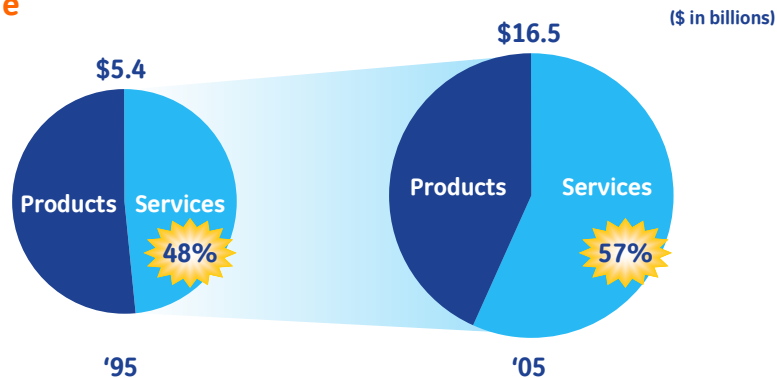
- Optimization and control
- Environmental performance
- Network optimization and reliability



3
GE Company Proprietary

Portfolio transformation ... products / services

Revenue



- Large installed base driving services growth ... up ~4X since '95
- Expanding capabilities ... optimization and control, environmental, network reliability
- Contractual Service Agreements ... broadening contract scope



4
GE Company Proprietary

Energy ... growth model



Differentiate with technology

Grow installed base ... flowdown technology



Win lifecycle service

Grow core services ... ValPaks & CSAs



System optimization

Expanding growth platforms ... optimization & control, environmental



Everywhere in the world

China, Africa, India, Middle East, Eastern Europe

Delivering value to our customers and shareholders



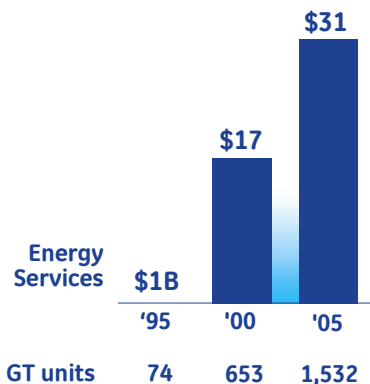
5
GE Company Proprietary

Grow the core ... contractual services

(\$ in billions)

Backlog

Highlights



Increasing customer value

- Part life extension ... advanced repairs
- Performance, availability & emissions

Broadening contract scope

- Operations & maintenance
- Balance of plant ... optimization

Improving fuel flexibility

- Emissions and turndown
- Wide Wobbe / multiple fuels
- Durability



6
GE Company Proprietary

Upgrades ... cleaner combustion

Advanced gas turbine dry low NOx

- Wide operating range, improved performance, sustained durability
- Exceeding performance goals at 1,700 hours
- Industry leader in low emissions guarantees
- Collaboration with Global Research Center

Customer value

- Reduced NOx emissions ... equivalent to 400,000 cars / year
- Reduced fuel costs ... \$3MM / year
- Improved operability and availability



7
GE Company Proprietary

Fuel flexibility

Variety of fuels

High gas prices driving significant substitution

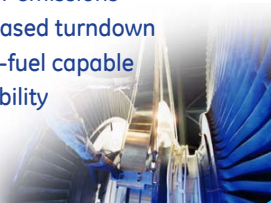
- Natural gas
- LNG
- Refinery gases
- Coal
- Oil & crude
- Others



Demanding needs

Customers demanding cleaner technology & more flexibility

- Lower emissions
- Increased turndown
- Multi-fuel capable
- Durability



Innovative solutions to meet changing needs



Dry Low NOx



OpFlex™



Extendor™



Dual fuel transfer



Low BTU combustors

8
GE Company Proprietary

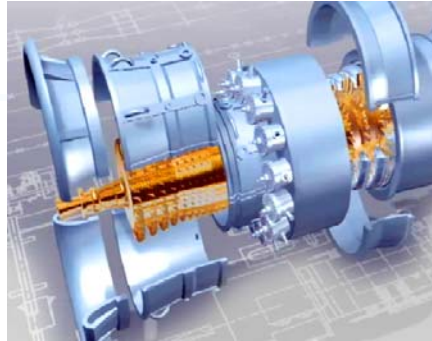
Upgrades ... more efficient operation

Evolution Compressor™

- Upgrade opportunity for 2,200 units
- New compressor upgrade ... \$55MM investment
- 3D aero ... Aviation technology

Customer value

- Significant performance improvement ... \$1MM / year
- Platform for additional upgrades ... new combustion and turbine sections
- Full scale testing underway ... launch date is 1Q07



3D Aero Design



9
GE Company Proprietary

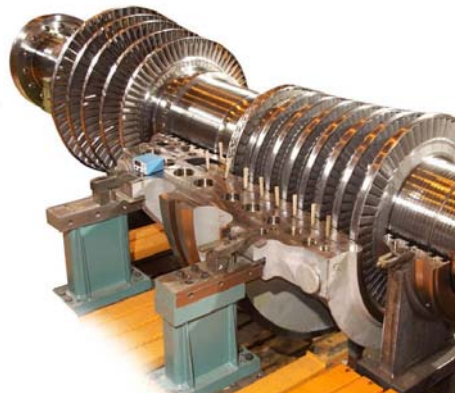
Upgrades ... increased performance

Steam turbine Dense Pack™

- Advanced technology for an aging fleet
- More than 100 years proven GE experience
- Validated field performance ... 100+ units in service
- ~300+ additional opportunity

Customer value

- Replace aging components with advanced technology
- Increase output up to 1.5% ... ~10 MW
- Enhance asset utilization



Increasing productivity at the customer site ...

Utilizing aviation through lean process

Reducing outage cycle time

- Time and movement analysis
- Pre-planning, better tooling
- Process improvement

Customer value

- Customers online sooner ...
up to \$300k / day additional revenue
- Enabled by contractual services outage process

Example

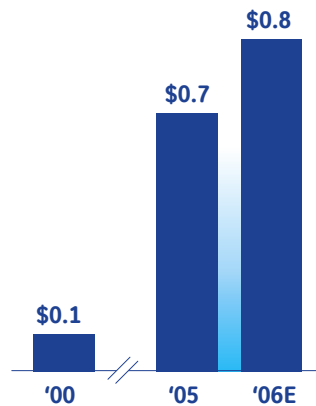
- 7 day outage reduced to 4.5 ...
targeting 3.5



Growth in optimization and control

(\$ in billions)

Sales



Maximize economic performance on equipment & plant level

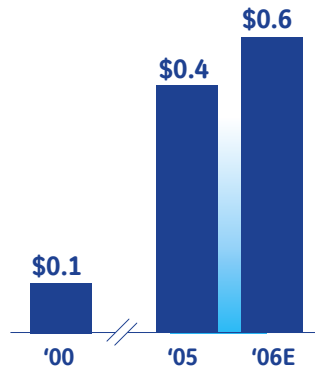
- Emerging \$1B platform
- '01 - '05 ... integrated platforms
 - Condition monitoring
 - Controls, software, oil & gas drilling sensors
- '06 ... continued growth ... 20%V
 - Xin Hua Distributed Control System ... China acquisition
 - Expanded asset coverage



Growth in environmental services

(\$ in billions)

Sales



Reducing air emissions and improving plant performance

- Emerging \$1B platform
- '04 ... expanding capabilities
 - BHA acquisition ... \$0.2
 - NOx & particulate controls and filtration
- '05 - '07 ... leading technology
 - Altair acquisition ... \$0.1
 - Mercury removal capability
 - 40% organic growth

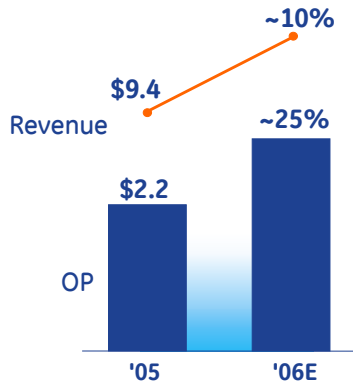


13
GE Company Proprietary

Financial overview ... energy services

(\$ in billions)

Highlights



- Continued double digit contractual services growth
- Driving installed base upgrades with technology flowdown
- ~200 new product and service launches in '06
- Two dynamic \$1B growth platforms
 - Optimization and control
 - Environmental services
- Global expansion continues

Double digit growth continues



14
GE Company Proprietary

Summary

- Differentiate with technology
- Win lifecycle service
- System optimization
- Everywhere in the world



15
GE Company Proprietary

GE's Technology and Services

Analyst Meeting
May 4, 2006

